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SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1895.

NO. 6, ORIGINAL.

EX PARTE: IN THE MATTER OF THE KEASBEY AND MATTISON COMPANY, PETITIONER.

RETURN TO RULE TO SHOW CAUSE.

FILED AUGUST 10, 1895.

(4372.)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1895.

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EX PARTE: IN THE MATTER OF THE KEASBEY AND MATTISON COMPANY, PETITIONER.

RETURN TO RULE TO SHOW CAUSE.

1 Supreme Court of the United States, October term, 1894. Original, No. 13.

EX PARTE:
THE KEASBEY & MATTISON COMPANY, petitioner. } Return.

The undersigned, William J. Wallace, E. Henry Lacombe, and Nathaniel Shipman, United States circuit judges for the southern district of New York, acknowledge service on them of a rule to show cause why a writ of mandamus should not be granted commanding them to take jurisdiction and proceed against the E. L. Patch Company in a suit commenced in the circuit court of the United States for the southern district of New York wherein The Keasbey & Mattison Company, the petitioner herein, was named as complainant and the E. L. Patch Company and Henry E. C. Kuehn and Edward H. Lubbers were named as defendants, and the undersigned also acknowledge service on them of a copy of motion for the writ of mandamus and of the petition for the writ, and a certified copy of the record in said suit, including the order made in said suit March 15th, 1895, setting aside the service of the subpœna issued therein purported to have been made by the marshal on the said E. L. Patch Company as null and void and of no effect, and relieving said E. L. Patch Company from appearing to plead or answer to the complaint or otherwise therein.

And thereupon these respondents show cause as follows:

1. The copy of record herein, as respondents believe, is correct and true.

2 2. Upon the facts presented by the bill, return of the marshal, affidavit, and all other papers and proceedings had in said suit, as more fully set forth in said record, it does not appear that the said circuit court had jurisdiction of said suit as regards said E. L. Patch Company.

WM. J. WALLACE.
E. HENRY LACOMBE.
N. SHIPMAN.

(Indorsed:) United States Supreme Court, October term, 1895. Original, No. 6. Ex parte: In the matter of The Keasbey & Mattison Company, petitioner. On petition for a writ of mandamus. Return. William A. Abbott, counsel for respondents, 18 Broadway, New York City, N. Y.

(Indorsed:) Supreme Court U. S., October term, 1895. Term No. 6, original. Ex parte: In the matter of The Keasbey & Mattison Company, petitioner. Return to rule to show cause. Office Supreme Court U. S. Filed Aug. 10, 1895. James H. McKenney, clerk.

Supreme Court of the United States,

OCTOBER TERM, 1895.

Original No. 6

EX PARTE,

THE KEASBEY & MATTISON COMPANY,
Petitioner.

BRIEF IN BEHALF OF PETITIONER.

JONES & GOVIN,
Attorneys for Petitioner,
No. 45 Cedar Street,
New York.

EDWARD K. JONES,
Of Counsel.

Supreme Court of the United States,

October Term, 1895.

Ex Parte

The Keasbey & Mattison Company, Petitioner. } Original, No. —

BRIEF IN BEHALF OF PETITIONER.

Statement.

This is an application for a writ of mandamus to be issued to the Judges of the Circuit Court of the United States for the Southern District of New York requiring them to take jurisdiction of, and to proceed to hear and determine a certain cause brought before that Court on the Equity side thereof by The Keasbey & Mattison Company, a corporation of the State of Pennsylvania, against The E. L. Patch Company, a corporation of the State of Massachusetts, doing business in the said Southern District of New York, and certain other defendants, citizens of New York and agents of the defendant corporation in the latter named State, in which cause the Circuit Court has dismissed the suit as against the defendant corporation, on the ground that the Court had not jurisdiction of the same. (Record, p. 36).

The case came originally before this Court on a motion for a rule to show cause, which was based on a petition submitted to this Court on the 8th day of April, 1895, (Record, p. 1), whereupon, after consideration of the petition (p. 3) and the certified copy of the record presented in support of the same (p. 11), this Court issued its rule to the judges of the Circuit Court requir-

ing them to show cause on the 14th of October, 1895, why the writ should not issue as prayed. (See rule to show cause).

To this rule the judges of the Circuit Court have filed their return, in which they admit the truth of all the allegations of the petitioner; but allege that, notwithstanding these facts, the action of the Court in dismissing the suit against the defendant corporation was lawful and proper. (See Return).

The allegations of the petition and of the bill of complaint submitted in support of it, so far as necessary to be stated here, are that on the 28th of January, 1895, the petitioner filed a bill in equity in the Circuit Court for the Southern District of New York against the above-named E. L. Patch Company and Henry E. C. Kuehn and Edward H. Lubbers, alleging, among other things, that the petitioner is a corporation of the State of Pennsylvania, and that the defendant, the E. L. Patch Company, is a corporation of the State of Massachusetts, doing business in the State and City of New York, the laws of which provide that such corporations shall be amenable to the local jurisdiction, and that the defendants, Kuehn and Lubbers, are citizens of that State, and the managing or general agents of the E. L. Patch Company therein. (Petition, pp. 3 and 4).

The petition further alleges that in the year 1881, the firm of Keasbey & Mattison, to whose rights the petitioner has succeeded, commenced making a new medical preparation of Caffeine to which they applied and thereafter used upon the same the arbitrary prefix "Bromo," thus making "Bromo Caffeine;" that the preparation has acquired great celebrity and extensive sale and is, and for many years has been, sold by that name throughout the United States, and also in commerce with foreign nations; that in the year 1886 the name was registered in the United States Patent Office under the act of Congress providing for the registration of such trademarks and suits for their infringement in the Courts of the United States (Act March 3, 1881, Sec. 7, 21 Stat. at L., 502, 504); and that the defendants are infringing

upon the same, and, among other things, are committing such infringement by the sale of an alleged counterfeit of the plaintiff's article in the City and State of New York, where the suit is brought. (Petition, pp. 4 and 5.)

From these allegations of the petition and from the further allegations of the bill of complaint (Bill, pars. 1, 2 and 3; Record, pp. 13 and 14), two several and distinct grounds of jurisdiction in the Circuit Court are shown, viz: (1) Because the suit arises under the statute of the United States authorizing the registration of trademarks and actions in the Courts of the United States for their infringement; and (2) because the suit is also between citizens of different states. And the present application assumes that if jurisdiction can be supported upon either of these grounds, it is sufficient.

The petition also shows that upon the return of the subpoena a special appearance was entered in behalf of the E. L. Patch Company and a motion made to set aside the service on that defendant on the ground that the Court had not jurisdiction to entertain the suit as to it, and that subsequently the Court, through Judge Lacombe, granted the motion and dismissed the suit as to that defendant, basing its action upon the decision of this Court in the cases of Shaw *v.* Quincy Mining Co., 145 U. S., 444, and Empire Coal Co. *v.* Empire Mining Co., 150 U. S., 163, and the decision of the Circuit Court for the Southern District of New York in Union Switch Signal Co. *v.* Hall Signal Co., 65 Fed. Rep., 625, which the petitioner, for reasons stated in the petition, and as will be hereinafter more particularly shown, claims are absolutely inapplicable to the present case. (Petition, pp. 5, 6 and 7; Record, p. 36).

Questions to be Decided.

The questions to be passed upon by this Court are:

1. Whether or not that part of the first section of the Act of 1887 relating to the jurisdiction of the District and Circuit Courts as amended by the Act of 1888

(25 Stat. L., 433, 434), which provides that "no civil suit shall be brought before either of said Courts against any person by any original process or proceeding in any other district than that whereof he is an inhabitant," is applicable to suits brought under a prior special Act of Congress authorizing the registration of certain trademarks and providing remedies in the Courts of the United States for their infringement, such special act in itself not containing any such restriction upon the exercise of jurisdiction; and

2. Whether or not, if the provision of the Act of 1887, as amended, and above quoted, does apply to such suits, the defendant corporation has waived its privilege of being sued in the district of its residence by doing business and having agents for the transaction thereof in the state and district where the suit is brought, the laws of that state providing that such foreign or non-resident corporations shall be subject to suit therein as a condition to their right to do business there?

The case in no aspect can be considered to fall within the decisions of this Court construing the application of the further provision of the first section of the Judiciary Act of 1887, as amended (*supra*), declaring that "where the jurisdiction is founded *only on the fact that the action is between citizens of different States* suit shall be brought *only in the district of the residence of either the plaintiff or the defendant*," for the plain reason that the jurisdiction invoked in this case does not depend *only* on that fact.

Brief of Argument.

The contention in behalf of the petitioner is,

1. That there is really no question of jurisdiction at all in this case, as the learned Judge of the Circuit Court supposed, the real question being whether or not the *exercise* of jurisdiction has been prohibited or restricted so as to exclude the defendant from its operation, upon its pleading the privilege of being sued only in the district of its residence or inhabitancy.

2. That the provisions of the first section of the present Judiciary Act above quoted are inapplicable to this case, because the suit being founded on a a special Act of Congress, to wit, the act authorizing the registration and suits for the infringement of trademarks; and that act contains no such prohibition or restriction.

3. Even if the case is governed by the Judiciary Act of 1887, as amended, and conceding that the limitations of the exercise of jurisdiction above quoted would otherwise operate, the defendant has *waived* its privilege of being sued only in the district of its residence by doing business in the state and district where it is sued and committing there the injury for which the suit is brought.

I.

The Circuit Court clearly has jurisdiction of the defendant Corporation.

This proposition is evident not only from the express terms of the Act relating to trademarks, but also from the Act of 1887, as amended.

The 7th Section of the Act of March 3, 1881, relating to trademarks (21 Stats., 503), provides that the "Courts of the United States shall have original and appellate jurisdiction in such cases without regard to the amount in controversy," and the Act of 1887, as amended (25 Stats. L., 433), declares that the "Circuit Courts of the United States shall have original cognizance * * * * * * * of all suits of a civil nature * * * * * * * * arising under the Constitution or Laws of the United States * * * * * * * * or in which there shall be a controversy between citizens of different States."

There can, therefore, be no question of *jurisdiction*. The only question is, as before stated, whether or not the *exercise* of jurisdiction in a case like the

present is, by some other provision of law, excluded or forbidden when pleaded by the defendant. In other words, has this defendant the privilege of being sued only in the district of its residence, or has it waived that privilege?

That the *place or district* where suits in the Courts of the United States are to be brought is a mere *privilege* which the defendant may *waive* is established by numerous decisions.

Without attempting to cite all the cases, the following may be mentioned:

In *Ex parte* Schollenberger, (96 U. S. 369,) this Court, through Mr. Chief Justice Waite, said:

"The Act of Congress prescribing the *place* where a person may be sued is not one affecting the *general jurisdiction* of the Courts. It is rather in the nature of a *personal exemption* in favor of a defendant, and it is *one which he may waive*."

More recently, in the case of St. Louis and San Francisco R'y Co. *v.* McBride (141 U. S., 127), this Court through Mr. Justice Brewer, in speaking of the present Judiciary Act, said:

"The first part of Section 1 of the Act of 1887 as amended in 1888, gives generally to the Circuit Courts of the United States jurisdiction of controversies between citizens of different States where the matter in dispute exceeds the sum of two thousand dollars exclusive of interest and costs. Such a controversy was presented in this complaint. It was, therefore, a controversy of which the Circuit Courts of the United States had *jurisdiction*. Assume that it is true, as defendant alleges, that this is not a case in which jurisdiction is founded only on the fact that the controversy is between citizens of different States, but that it comes within the scope of that other clause which provides that 'no civil suit shall be brought before either of the said Courts against any person by any original process or proceeding in any other district than that whereof he is an inhabitant,' still the right to insist upon suit only in the one district is a *personal privilege which he may waive*."

So also in the still more recent case of the Central Trust Co. *v.* McGeorge (151 U. S., 129), Mr. Justice Shiras writing the opinion of this Court again affirmed the ruling in *Ex parte* Schollenberger and other cases sustaining the proposition now made.

It is true that in the two last-mentioned cases, and in many others, the ground upon which a waiver was held to operate was because the defendant had appeared generally and pleaded, which is not the fact in the present case; but the decisions referred to are cited here only to support the proposition of privilege and waiver. A waiver in this case will be shown hereafter as having been made upon other grounds.

So much, then, for the question of jurisdiction.

II.

The present suit being founded on the special act of Congress relating to trademarks, the privilege of being sued only in the district of the defendant's residence provided by the Act of 1887, as amended, does not apply.

The 7th Section of the Act of March 3, 1881, relating to trademarks (21 Stats. L., 503), provides that,

"Any person who shall reproduce, counterfeit, copy, or colorably imitate any trademark registered under this act and affix the same to merchandise of substantially the same descriptive properties as those described in the registration shall be liable to an action on the case for damages for the wrongful use of said trademark at the suit of the owner thereof; and the party aggrieved shall also have his remedy according to the course of equity to enjoin the wrongful use of such trade-mark used in foreign commerce or commerce with Indian tribes, as aforesaid, and to recover compensation therefor in any court having jurisdiction

over the person guilty of such wrongful act; and courts of the United States shall have original and appellate jurisdiction in such cases without regard to the amount in controversy."

In no part of the act of 1881, from which the foregoing quotation is made, is there any provision similar to the Act of 1887, as amended, prescribing the *place or district* where suits are to be brought.

Of course, it is not intended to be argued in behalf of the petitioner that this leaves a plaintiff to sue the defendant in any place or district he may select, as the learned Circuit Judge suggested at the argument in the Circuit Court. But it is argued that, as the trademark statute, unlike the Act of 1887, does not confer upon defendants the privilege of being sued only in the districts of their residence, it leaves it to the Circuit Courts to assume jurisdiction whenever the ordinary conditions to its exercise exist, *i. e.*, whenever the defendant is present in such a way that courts of general jurisdiction may assert their authority over his person or property. And in the case of a foreign or non-resident corporation it is abundantly established that this condition exists whenever such foreign or non-resident corporation comes within the territorial limits of a State and Federal district, and there carries on business by agents or servants pursuant to local laws providing, as a condition to such corporation doing business there, that it shall submit to the authority of the courts of the place where it is thus permitted to exercise its functions.

Ins. Co. *v.* French, 18 How., 404.
R. R. Co. *v.* Harris, 12 Wall., 65.
Ex parte Schollenberger, 96 U. S., 369.
R. R. Co. *v.* Koontz, 104 U. S., 5, 10.
St. Clair *v.* Cox, 106 U. S., 350.
N. E. Mut. Ins. Co. *v.* Woodworth, 111 U. S., 138.
In re Louisville Underwriters, 134 U. S., 488.

This suit being, therefore, as above stated, founded upon a special Act of Congress, is not subject to the

operation of the general Judiciary Act of 1887, as amended.

This principle is distinctly declared by this Court in the late case of *In re* Hohorst (150 U. S., 651), where it was held that a general act relating to the jurisdiction of the Circuit Courts does not affect prior special acts relating to jurisdiction over a specified class of cases; and it was accordingly held in that case that the restriction as to the *place* of bringing the suit contained in the Act of 1887, as amended, did not apply to suits brought upon letters-patent of the United States, such actions being the subject of a special act relating to them.

Upon this point the Court said:

"Moreover, the present suit is for an infringement of a patent for an invention, the jurisdiction of the national courts over which depends upon the *subject-matter*, and not upon the parties." Then, after referring to the prior legislation relating to the jurisdiction in patent cases, and alluding to the first section of the Act of 1887, as amended, the Court says: "The grant to the Circuit Courts of the United States in this section of jurisdiction over a class of cases described generally as 'arising under the constitution and laws of the United States,' *does not affect the jurisdiction granted by earlier statutes to any Court of the United States over specified cases of that class.*" And the Court proceeds to give illustrations of the operation of this act in patent cases, and, among other things, of the effect of the restriction as to the amount involved—(which, it will be observed, is equally applicable to suits upon trademarks—)and decides that the clause in the Act of 1887, as amended, limiting the place in which the suit is to be brought does not apply to such suits.

The same reasoning, it is thought, applies, *mutatis mutandis*, to trademark cases, for though jurisdiction as to them is not exclusive, yet by the special act they are within the cognizance of the Circuit Courts irrespective of the amount involved, which, as above observed, is a peculiarity distinguishing these from other cases as much as those in cases of suits upon patents.

The same principle declared in the case of *In re* Hohorst was also laid down in the case of the United States *v.* Mooney, 116 U. S., 104, in which the decision in the Third National Bank of St. Louis *v.* Harrison (3 McCrary, 162), was cited with approval.

In the last-mentioned case the principle asserted, and which, as before stated, has been twice affirmed by the Supreme Court, was discussed by Judge McCrary sitting at Circuit in the Eastern District of Missouri.

The question was whether the general act of 1875 relating to the jurisdiction of the Circuit Courts affected cases against national banks, jurisdiction over which had been specially conferred by a previous statute; and the Court, in speaking of the Act of 1875, said:

"It is a general statute on the subject of the jurisdiction of the Circuit Courts, and it *does not repeal prior statutes conferring jurisdiction upon those courts in special cases or over particular controversies*, unless it is clear from the language employed that such was the intent of Congress. There is no express repeal of section 629 of the Revised Statutes. The law does not favor a repeal by implication, and in order to support such a repeal the repugnance between the latter and earlier statutes must be quite plain. If the subsequent act can be reconciled with the former it will not be held to repeal it.

"Again, *it is a rule long settled, that a later statute which is general and affirmative in its provisions does not abrogate a former which is particular and special.* Courts will not allow such an exposition of the statute as will *revoke or alter*, by construction of general words, *a previous special statute*, where the words may have their proper operation without it. These general propositions are so familiar and so well settled that it is unnecessary to quote authority to support them."

Indeed, so firmly established is this rule that it is a maxim of the law; and, without referring to other cases, it is deemed sufficient to dismiss the subject by a

reference to the case of *In re* Kang-Gi-Shun-Ca, 109 U. S., 556, in which Mr. Justice Matthews delivering the opinion of the Court, and referring to this maxim, said:

"The rule is *Generalia specialibus non derogant*. 'The general principle to be applied,' said Bovill, C. J., in Thorpe *v.* Adams, L. R., 6 C. P., 135, 'to the construction of acts of Parliament is that a general act is not to be construed to repeal a previous particular act unless there is some express reference to the previous legislation on the subject, or unless there is a necessary inconsistency in the two acts standing together.' 'And the reason is,' said Wood, V. C., in Fitzgerald *v.* Champneys, 30 L. J. Ch., 782, 2 Johns. & H., 31-54, 'that the legislature having had its attention directed to a special subject, and having observed all the circumstances of the case and provided for them, does not intend by a general enactment afterwards to derogate from its own act when it makes no special mention of its intention to do so.'"

See also

Earl of Derby *v.* Bury Imp. Coms., L. R., 4 Ex., 226, and Kidston *v.* Empire Ins. Co., L. R., 1 C. P., 546, cited as illustrating this maxim in the 6th (English) Edn. of Broom's Legal Maxims, xxiv.

Applying this principle so recently and pointedly affirmed by the Supreme Court in the case of *In re* Hohorst (*supra*), and recognized in the case of U. S. *v.* Mooney (*supra*),—(in the first case with respect to the very legislation now under consideration, and in the other with respect to a statute in all respects analogous),—it is plain that, as the suit in question is brought under the trademark statute, which, like the patent laws, contains no limitation as to the place of suit and no limitation as to the amount involved, the restrictions of the exercise of jurisdiction contained in the subsequent Act of 1887 as amended do not operate upon this case.

III.

By doing business in the State the laws of which require a non-resident corporation to designate a person upon whom service may be made, or, in case such designation be not made, that service may be made upon its managing agent, the defendant waived its privilege of being sued only in the place of its inhabitancy: and the suit not being one where jurisdiction depends only on diverse citizenship, the Court is not only competent to take cognizance of the case, but may subject the defendant to its process.

Even if this case can be considered as subject to the operation of the Act of 1887, as amended, the decisions in cases where the sole ground of jurisdiction was diverse citizenship do not apply, because, as previously observed, that is not the *only* ground of jurisdiction here. This is notably true of the cases of Shaw *v.* Quincy Mining Co., 145 U. S., 444, Southern Pacific R. R. Co. *v.* Denton, 146 U. S., 202, and Empire Coal Co. *v.* Empire Coal & Mining Co., 150 U. S., 159, relied upon by the respondents' counsel. Those were cases where the *sole ground of jurisdiction was diverse citizenship*, and both parties being non-residents, it was held, upon a construction of the statute which provided that in such cases suit may be brought only in the place of the residence of the plaintiff or the defendant, the actions could not be maintained in any other district.

Therefore, conceding that the Act of 1887, as amended, applies, this case rests upon the other clause which provides that "no civil suit shall be brought before either of the said Courts against any person by any original process or proceeding in any other dis-

trict than that whereof he is an inhabitant;" and under this clause it is insisted that the defendant may waive its privilege of being sued in its place of residence, and that it has waived it by doing business and having agents in the State and City of New York.

It was held by this Court in the case of the Railway Co. *v.* Harris, 12 Wall., 65, that though a corporation *dwelt* only in the place of its creation, and could not migrate, yet it could *exercise its functions in a foreign territory* upon such conditions as the law of the place might prescribe, and that *when such law prescribed as one of those conditions that it should consent to be sued* in such foreign territory, *such consent would be inferred from the fact that it did business there*, and that this was a *waiver* of its privilege to be sued in the place of its domicile.

The Court said:

"It cannot migrate, but may exercise its authority in a foreign territory upon such conditions as may be prescribed by the law of the place. One of these conditions may be that it shall consent to be sued there. *If it do business there, it will be presumed to have assented, and will be bound accordingly.* * * * *We entertain no doubt that it made the company liable to suit where this suit was brought, in all respects as if it had been an independent corporation of the same locality.*"

So also in the later case of St. Clair *v.* Cox, 106 U. S., 350 (*supra*), Mr. Justice Field in delivering the opinion in which this Court considered a statute of the State of Michigan providing modes of service upon non-resident corporations, said:

"The State may, therefore, impose as a condition upon which a foreign corporation shall be permitted to do business within her limits that it shall stipulate that in any litigation arising out of its transactions in the State, it will accept as sufficient the service of process on its agents or persons specially designated; and the condition would be eminently fit and just. *And such condition and stipulation may be implied as well as ex-*

pressed. If a State permits a foreign corporation to do business within her limits, and at the same time provides that in suits against it for business there done, process shall be served upon its agents, the provision is to be deemed a condition of the permission: and corporations that subsequently do business in the State *are to be deemed to assent to such condition as fully as though they had specially authorized their agents to receive service.*"

And more recently still in the case of New York, Lake Erie & Western R. R. Co. *v.* Estill, 147 U. S., 591, 607, the late Mr. Justice Blatchford delivering the opinion of this Court, in considering a similar statute of the State of Missouri, after reviewing the ruling of one of the courts of that State upholding service upon a foreign corporation in such cases, said:

"In the case cited, the Court held that the effect of the enactment in 1879 of the fourth subdivision of Sec. 3489 was to make all foreign corporations having an office and doing business in Missouri, or an agent or employee there suable in precisely the same manner as any other defendant by the delivery of a copy of the writ and petition, and that it must be presumed that the Legislature intended that the ordinary consequences should attend such service. See also Lafayette Ins. Co. *v.* French, 18 How., 404; Baltimore & O. R. R. *v.* Harris, 12 Wall., 65; Southern Pacific R. R. Co. *v.* Denton, 146 U. S., 202, 207; Gibbs *v.* Queen Ins. Co., 63 N. Y., 114; 2 Morawetz, Priv. Corp., Sec. 977. *The principle applicable under such circumstances is that if the corporation does business in the State, it will be presumed to have assented to the statute and will be bound accordingly.*"

See also

Van Dresser *v.* Oregon Ry. & Nav. Co., 48 Fed. R., 202.

Consolidated Store Service Co. *v.* Lamson Consolidated Service Co., 41 Fed. R., 833; and

Smith *v.* Sargent Mfg. Co., 67 Fed. R., 801, the latter of which overrules Union Switch & Signal Co. *v.* Hall Signal Co., 65 Fed. R., 625, cited by Judge Lacombe in dismissing the present suit.

The laws of the State of New York where the present suit was brought contain similar provisions to those considered in the foregoing cases.*

* The General Corporation Law of the State of New York, in reference to foreign or non-resident corporations, provides, among other things, as follows:

"No foreign stock corporation other than a monied corporation shall do business in this State without having first procured from the Secretary of State a certificate that it has complied with all the requirements of law to authorize it to do business in this State, and that the business of the corporation to be carried on in this State is such as may be lawfully carried on by a corporation incorporated under the laws of this State for such or similar business, or, if more than one kind of business by two or more corporations so incorporated for such kinds of business respectively. The Secretary of State shall deliver such certificate to every such corporation so complying with the requirements of law. No such corporation now doing business in this State shall do business herein after December 31, 1892, without having procured such certificate from the Secretary of State, but any lawful contract previously made by the corporation may be performed and enforced within the State subsequent to such date. No foreign stock corporation doing business in this State without such certificate shall maintain any action in this State upon any contract made by it in this State until it shall have procured such certificate.

"Before granting such certificate the Secretary of State shall require every such foreign corporation to file in his office a sworn copy of its charter or certificate of incorporation, and a statement under its corporate seal, particularly setting forth the business or objects of the corporation which it is engaged in carrying on, or which it proposes to carry on, within the State, and a place within the State which is to be its principal place of business, and designating, in the manner prescribed in the Code of Civil Procedure, a person upon whom process against the corporation may be served within the State.

"The person so designated must have an office or place of business at the place where such corporation is to have its principal place of business within the state. Such designation shall continue in force until revoked by an instrument in writing, designating in like manner some other person upon whom process against the corporation may be served in this state.

"If the person so designated dies, or removes from the place where the corporation has its principal place of business within the state, and the corporation does not within thirty days after such death or removal, designate in like manner another person upon whom process against it may be served within the state, the secretary of state may revoke the authority of the corporation to do business within the state, and process against the corporation in an action upon any liability incurred within this state before such revocation may, after such death or re-

The bill of complaint alleges (Par. 2, Record, p. 14) "that the defendant The E. L. Patch Company is, as your orator is informed and believes, a corporation other than a monied corporation and having a capital stock, and that it is organized and existing under the laws of the State of Massachusetts; that the defendants, Henry E. C. Kuehn and Edward H. Lubbers are, as your orator is informed and believes, citizens of the United States and of the State of New York, and are copartners by the firm name of Kuehn & Lubbers, and that they carry on business in the said City of New York by such firm name; that

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moval and before another designation is made, be served upon the secretary of state."

(Laws of New York of 1892, Ch. 687, Secs. 15 and 16, Vol. 2, pp. 1805-6.)

And the Code of Civil Procedure of the said State provides as follows:

"Personal service of the summons, upon a defendant, being a foreign corporation, must be made by delivering a copy thereof, within the State, as follows:

"1. To the president, treasurer, or secretary; or if the corporation lacks either of those officers, to the officer performing corresponding functions, under another name.

"2. To a person designated for the purpose by a writing, under the seal of the corporation, and the signature of its president, vice-president, or other acting head, accompanied with the written consent of the person designated, and filed in the office of the Secretary of State. The designation must specify a place within the State, as the office or residence of the person designated; and, if it is within a city, the street, and street number, if any, or other suitable designation of the particular locality. It remains in force, until the filing in the same office of a written revocation thereof, or of the consent, executed in like manner; but the person designated may, from time to time, change the place specified as his office or residence, to some other place within the State, by a writing, executed by him, and filed in like manner. The Secretary of State may require the execution of any instrument, specified in this section, to be authenicated as he deems proper, and he may refuse to file it without such an authentication. An exemplified copy of a designation so filed, accompanied with a certificate that it has not been revoked, is presumptive evidence of the execution thereof, and conclusive evidence of the authority of the officer executing it.

"3. If such a designation is not in force, or if neither the person designated, nor an officer specified in subdivision first of this section, can be found with due diligence, and the corporation has property within the State, or the cause of action arose therein; to the cashier, a director, or a managing agent of the corporation, within the State."

(N. Y. Code of Civ. Pro., Sec. 432.)

the said E. L. Patch Company is also doing business in the said State of New York, and has an office or place of business, which is its principal office or place of business in the said State, in the said City of New York; and that the defendants Henry E. C. Kuehn and Edward H. Lubbers are the managing or general agents of the said E. L. Patch Company in the said State, and that their office or place of business is where the said corporation has its said principal place of business in the said State as aforesaid, to wit, in the City of New York."

The Marshal's return of the subpœna (Record, p. 12) shows that the subpœna was duly served on one of the firm of Kuehn & Lubbers, as managing agent of the defendant corporation, in his district on the 28th of January, 1895; and as it does not appear that the corporation has designated a particular person upon whom service may be made, this is a strict compliance with Subdiv. 3 of Sec. 432 of the Code of Civil Procedure.

In the case of *In re* Hohorst (*supra*) it was held that facts similar to these gave the Circuit Court jurisdiction, this Court citing in support of that decision St. Clair *v.* Cox, 106 U. S., 350, 359; Societe Fonciere *v.* Milliken, 135 U. S., 304; Mexican Central R'y *v.* Pinkney, 149 U. S., 194; N. Y. Code of Civ. Pro. §432; Tuchband *v.* Chicago & Alton R. R., 115 N. Y., 437.

LASTLY.

It is respectfully submitted that the writ should issue as prayed.

JONES & GOVIN,
Attorneys for Petitioner.

EDWARD K. JONES,
Of Counsel.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1894.

Original No. 13. (6)

EX PARTE

THE KEASBEY & MATTISON COMPANY,
Petitioner.

(*On Petition for a Writ of Mandamus.*)

Brief Against the Petition and in Behalf of the E. L. PATCH COMPANY, a Corporation.

WILLIAM A. ABBOTT,
Of Counsel for the E. L. PATCH COMPANY,
18 Broadway, New York City, N. Y.

Supreme Court of the United States.

OCTOBER TERM, 1894.

ORIGINAL No. 13.

Ex-parte: In the Matter of THE KEASBY & MATTISON CO. Petitioner.	On Petition for a Writ of Mandamus.

Brief against the Petitioner for Mandamus, and in behalf of The E. L. Patch Company.

STATEMENT.

This is a petition for a writ of mandamus to the Judges of the Circuit Court for the Southern District of New York to compel them to take jurisdiction and proceed against The E. L. Patch Company, upon a bill for alleged infringement of a trade-mark filed in that Court, January 28th, 1895, by the petitioner described therein as a corporation organized and existing under the laws of the State of Pennsylvania against the E. L. Patch Company, described as a corporation organized and existing under the laws of the State of Massachusetts and as doing business in the State of New York and having its principal office or place of business in that State, in the City of New York, and as having managing or general agents in said State, whose office or place of business is where said corporation has its said principal place of business in said State, to wit, in the City of New York. The bill is also brought against Henry E. C. Kuehn and Edward H. Lubbers, alleged to be citizens of the

Supreme Court of the United States.

OCTOBER TERM, 1894.

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United States and of the State of New York and co-partners by the name of Kuehn & Lubbers, carrying on business in the City of New York by that firm name and alleged to be the managing or general agents of the E. L. Patch Company in the State of New York. (Record, pps. 14, 15. Bill, paragraphs First and Second.)

Upon that bill the following proceedings took place.

A subpœna was issued addressed to all the defendants which was served January 28th, 1895, at the City of New York, as appears by the Marshal's return, on the defendant corporation by exhibiting the original to and leaving a copy with the defendant, Henry E. C. Kuehn as its managing agent. (Record, p. 35.)

On March 7, 1895, a special appearance was entered for the defendant corporation to set aside the service of process or to plead in abatement or demur to the jurisdiction of the Court. (Record, pps. 31 & 34, fol. 93.)

On March 15, 1895, an order was made by the Circuit Court on motion of the defendant corporation, setting aside the said service of said subpœna as null and void and of no effect and relieving the defendant corporation from appearing to plead or answer to the complaint or otherwise. (Record Order p. 36 Motion Papers. Record pps. 32-35.)

On April 15, 1895, a rule on said petition was made by this Court that cause be shown by the Judges of the Circuit Court of the United States for the Southern District of New York, why a writ of mandamus should not be granted as prayed in said petition.

On August 10th 1895, a return of the Judges was filed acknowledging service on them of the rule and record, etc., and showing that the copy of the record they believed to be correct and true, and that, upon the facts presented by the bill, return of

the Marshal, etc., it does not appear that the Circuit Court had jurisdiction of said suit as regards said E. L. Patch Company.

POINTS.

I.

The United States Circuit Court for the Southern District of New York had no jurisdiction, the Respondent not being an inhabitant of that District.

The jurisdictional question in issue arises under Section 1 of the Judiciary Act of March 3, 1887, (24 Stat. 552) entitled An Act to amend the Act of Congress approved March 3, 1875, entitled An Act to determine the jurisdiction of Circuit Courts of the United States, &c., as corrected by the Act of August 13, 1888, (25 Stat. 433) the material parts of which are as follows:

"The Circuit Courts of the United States shall have original cognizance, concurrent with the courts of the several States, of all suits of a civil nature, at common law or in equity, where the matter in dispute exceeds, exclusive of interest and costs, the sum or value of two thousand dollars, and arising under the Constitution or Laws of the United States, or treaties made, or which shall be made, under their authority * * * or in which there shall be a controversy between citizens of different States, in which the matter in dispute exceeds, exclusive of interest and costs, the sum or value aforesaid * * * or a controversy between citizens of a State and foreign states, citizens, or subjects, in which the matter in dispute exceeds, exclusive of interest and costs, the sum or value aforesaid." * * *

"But no person shall be arrested in one district for trial in another in any civil action before a circuit or district court; and no civil suit shall be brought before either of said courts against any person by any original process or proceeding in any other district than that whereof he is an inhabitant, but where the jurisdiction is founded only on the fact that the action is between citizens of different States, suit shall be brought only in the district of the residence of either the plaintiff or the defendant." * * *

The contention of the petitioner is, that the latter portion of this statute, which provides that "no civil suit shall be brought before either of "said courts against any person by any original "process or proceeding in any other district than "that whereof he is an inhabitant," does not apply to a suit for an infringement of a trade-mark which is brought, as claimed, under the provisions of Section 7, of the Act of March 3, 1881, entitled "An Act to authorize the registration of trade-marks and protect the same," (21 Stat. 502) as follows:

"That registration of a trade-mark shall be prima facie evidence of ownership. Any person who shall reproduce, counterfeit, copy or colorably imitate any trade-mark registered under this act and affix the same to merchandise of substantially the same descriptive properties as those described in the registration, shall be liable to an action on the case for damages for the wrongful use of said trade-mark, at the suit of the owner thereof; and the party aggrieved shall also have his remedy according to the course of equity to enjoin the wrongful use of such trade-mark used in foreign commerce or commerce with Indian tribes, as aforesaid, and to recover compensation therefor in any court having jurisdiction over the person guilty of such wrongful act; and courts of the

United States shall have original and appellate jurisdiction in such cases without regard to the amount in controversy."

The contention of the petitioner further is, that by doing business in the State of New York and having a place of business and general agents in the City of New York, it has waived what petitioner's counsel has pleased to term "its privilege of being sued only in the State of its inhabitancy" (Brief for Petitioner in support of Mandamus filed herein April 17, 1895, or as stated under Point I. of petitioner's last Brief, "in the district of its residence"), and the further contention of petitioner's counsel is understood to be, that in nowise did the jurisdictional legislation of Congress of March 3, 1887 and August 13, 1888 repeal or affect the jurisdiction of the Circuit Courts of the United States over a class of cases described generally as "arising under the constitution and laws of the United States," and that therefore in respect to where suits for infringement of a trade-mark registered under the laws of the United States should be brought, notwithstanding the said Acts of 1887 and 1888, the prior act of 1875 (18 Stat. 470) continued in force, which provided that "no civil suit shall be brought before either of said courts against any person by any original process or proceeding in any other district than that whereof he is an inhabitant, or in which he shall be found at the time of serving such process, or commencing such proceedings, except," &c.

It is to be observed, in the first place, that the trade-mark act referred to is silent as to where an action for infringement shall be commenced, except in the clause in Section 7, giving a person aggrieved by wrongful use of his trade-mark his remedy "to recover compensation therefor in any court having jurisdiction over the person guilty of such wrongful act," and the clause in Section 11

in respect to "an action or suit between citizens of the same State."

Secondly. The Act of March 3, 1887, and August 13, 1888, did not supersede the trade-mark act of March 3, 1881, nor repeal the Judiciary Act of 1875, but as shown by the title of the Act of March 3, 1887, and of August 13, 1888, purported to amend the Act of 1875, and did modify the latter in various particulars, among others, by providing that no civil suit shall be brought against any person in any other district than that whereof he is an inhabitant and omitting the clause "or in which he shall be found", &c.

The effect of the Act of March 3, 1887, and August 13, 1888, was merely to modify the Act of 1875, in some particulars, and to leave it in force, except so far as modified.

Thirdly. The question is, had the Circuit Court of the United States for the Southern District of New York, jurisdiction over the respondent, a Massachusetts corporation, and the petitioner being a Pennsylvania corporation, in a bill brought for infringement of a trade-mark, in the Southern District of New York.

To say that this Circuit Court had jurisdiction is begging the question.

Jurisdiction of this respondent in the case at bar cannot be discovered by anything in the trade-mark Act. Nor can it be discovered in any existing and unamended provisions of the Judiciary Act of 1875. Jurisdiction over the respondent in a case like the one at bar can be found only under the provisions of the Act of March 3, 1887, as corrected.

The laws of the State of New York cannot enlarge the jurisdiction of the courts of the United States.

Such jurisdiction is limited by Act of Congress.

Southern Pacific Co., vs. Denton, 146, U. S. 202.

II

The jurisdictional question is "res adjudicata."

Shaw vs. Quincy Mining Co., 145, U. S. 444.

So. Pacific Co. vs. Denton, 146, U. S. 202.

Empire Coal Co. vs. Empire Mining Co., 150 U. S. 159.

Galveston &c. Ry. Co. vs. Gonzales, 151 U. S. 496.

In Shaw vs. Quincy Mining Co. (Supra), referring to said Acts of Congress of March 3, 1887, and August 13, 1888, it was held that "Under the "existing Act of Congress, a corporation, incor- "porated in one State only, cannot be compelled "to answer, in a Circuit Court of the United "States held in another State in which it has "a usual place of business, to a civil suit at law "or in equity."

Shaw vs. Quincy M. Co., was followed and reaffirmed by this court in cases above cited.

III.

The prohibition in the Act of 1887 and 1888, that no civil action shall be brought in any district against any person in any other district than that whereof he is an inhabitant has been uniformly (with but one exception) applied by Circuit Courts of the United States in suits for infringements of patents.

Connelly vs. U. S. Cordage Co., 66 Fed. R. 613, and cases there cited.

Adriance, Platt & Co. vs. McCormick H. M. Co., 55 Fed. R. 287.

Cramer vs. Singer Mfg. Co., 59 Fed. R. 74.

Union Switch & Signal Co. vs. Hall Signal Co., 65 Fed. R. 625.

Contra Smith vs. Sargent Manf'g Co., 67 Fed. R. 801.

IV.

In re Hohorst, 150 U. S. 653.

This case is relied on by petitioner.

In re Hohorst the point decided was that the Hamburg-American Packet Company, an alien corporation, organized and existing under the laws of the Kingdom of Hanover and Empire of Germany, and having a place of business in the City of New York and a general agent there, was not an inhabitant of the Southern District of New York, in the Circuit Court of the United States, for which district a suit for infringement of a patent had been commenced by a citizen and service of process made on the general agent of said alien corporation, and not being such inhabitant of said district was not exempted from being sued in said Court. The decision held, in substance, that the United States Circuit Court had jurisdiction in that case, because the Act of 1887 and 1888 did not repeal former legislation in respect to where actions in cases for infringement of patents should be commenced against aliens. In Shaw *v.* Quincy Mining Co., p. 453, decided prior to *In re* Hohorst, it is stated expressly that "this does not present "the question what may be the rule in suits

" against an alien or a foreign corporation, which " may be governed by different considerations."

V.

The Circuit Court had no jurisdiction by reason of diversity of citizenship of the parties.

This is conceded by petitioner (Brief of Petitioner filed April 17, 1895, p. 3), as follows: " for it is conceded that if the case depended only on the fact that the action is between citizens of different States, the suit as to the E. L. Patch Company should have been brought either in Pensylvania, where the plaintiff resides, or in Massachusetts, where the defendant corporation resides."

VI.

The application for mandamus should be denied.

William A. Abbott,
Of counsel for the E. L. Patch Company,
18 Broadway,
New York City, N. Y.

FILED.
OCT. 14 1895
JAMES H. McKENNEY,
CLERK.

Supreme Court of the United States,

OCTOBER TERM, 1895.

Original No. 6.

EX PARTE,

THE KEASBEY & MATTISON COMPANY,
Petitioner.

BRIEF FOR PETITIONER IN REPLY.

JONES & GOVIN,
Attorneys for Petitioner,
No. 45 Cedar Street,
New York.

EDWARD K. JONES,
Of Counsel.

Supreme Court of the United States,

OCTOBER TERM, 1895.

Ex parte THE KEASBEY & MATTISON CO., Petitioner.	Original, No.—

Brief for Petitioner in Reply.

An examination of the brief in behalf of the respondents suggests a few observations in reply:

First.

The learned counsel for the respondents seems to be under the impression (Point I., par. "Secondly," p. 6, of respondents' brief) that the Act of 1887, as amended in 1888, relates back and operates from the date of the Act of 1875, because the former purports to be an amendment of the latter named act.

This is an absolute misconception of the established rule of statutory construction.

The rule is that "*An amendatory act takes effect from the time of its passage, and has no retroactive effect*, in the absence of an expressed intent to the contrary. The original statute governs rights which have accrued *before* its amendment, but as to *future* acts the law as amended governs."

> 23 Am. & Eng. Encyc. of Law, 284, title "Statutes," citing Ely *v.* Holton, 15 N. Y., 595; Moore *v.* Mausert, 49 N. Y., 332; *In re* Miller, 110 N. Y., 216, and many other cases.

In the case of Ely *v.* Holton (15 N. Y., 595, *supra*), the late Chief Justice Denio, in considering an amendment to the Code of Procedure of New York, very clearly defines the rule, as follows :

"The form in which amendments, both of the Code and of the Revised Statutes, have generally been made, by declaring that particular sections shall be amended so as to read in a given way, was adopted for the purpose of adjusting them to the original enactments, so that when the system should, after repeated amendments, become complete, the different parts might be put together without further revision, and thus form a perfect code. The portions of the amended sections which are merely copied without change, are not to be considered as repealed and again enacted, but to have been the law all along; *and the new parts, or the changed portions, are not to be taken to have been the law at any time prior to the passage of the amended act.*"

Second.

Under the head of his first point counsel for the respondents also states in his brief (p. 5) that it is understood by him to be contended in behalf of the petitioner that "in respect to where suits for infringement of a trade-mark registered under the laws of the United States should be brought, notwithstanding the said acts of 1887 and 1888, the prior act of 1875 (18 Stat., 470) continued in force, which provided that 'no civil suit shall be brought before either of said Courts against any person by any original process or proceeding in any other district than that whereof he is an inhabitant, or in which he shall be found at the time of serving such process or commencing such proceedings.'"

An examination of the petitioner's brief shows that no such contention is made in that behalf. And yet, such is the consistency of logical principles, this contention might well be made.

It is not, as it seems to us, unreasonable to say that when Congress passed the Act of 1881 relating to trademarks, it did so *with reference to legislation then existing;* and this seems to be the rule of law, for it has been frequently held that existing legislation, though not strictly *in pari materia*, may be referred to in determining the scope and operation of a subsequent act, and in many instances the provisions of a prior statute will be extended to cases arising under a subsequent statute.

See

Rogers *v.* Bradshaw, 20 Johns. (N. Y.), at p. 744.

Smith *v.* The People, 47 N. Y., at p. 339.

Stout *v.* Grant County, 107 Ind., 343, 348, cited with approval by this Court in Vane *v.* Newcombe, 132 U. S., 220, 228.

Still, the case of the petitioner is not based upon the proposition understood by the learned counsel for the respondents, and the present observations are made merely to show that even if such were the case the contention would still have reason and authority to support it.

Third.

The counsel for the respondents seems also to be of the impression (p. 6 of his brief) that the decisions of this Court maintaining jurisdiction over foreign corporations doing business in other States whose laws declare them liable to suit therein, rested upon a construction of the word "found" in the Judiciary Act of 1875, and in the prior Judiciary Act of 1789, and that as the Act of 1887, as amended, struck out this word "found," it has the effect of absolutely depriving the Federal Courts of jurisdiction in all such cases.

The decisions give no countenance whatever to such a proposition, but establish the exact reverse. In other words the rulings of this Court upon the question do not proceed upon the assumption that the defendant in

such cases is "found" in the district, but that he *consents to be subject to the jurisdiction of the local Courts*, both State and national.

Thus, in Railroad Co. *v.* Harris (12 Wall., 65), this Court decided that the Baltimore & Ohio Railroad Company, a Maryland corporation, was liable to suit in the District of Columbia because it did business there under a statute which gave it a license to extend its road and carry on its operations in the latter named place, and that by availing itself of this license it impliedly *consented* to be subject to the jurisdiction of the Courts in the District. Indeed, the Court went so far as to say that "the jurisdiction of the Court was not governed by the 11th Section of the Judiciary Act of 1789," in force at that time and which, like the Act of 1875 and the Act of 1887, as amended, provided that no civil suit should be brought against an inhabitant of the United States "in any other district than that of which he is an inhabitant or in which he is found," etc. The decision, we say, proceeded upon the assumption of *consent* to amenability to the local jurisdiction and not upon a construction of the Federal statute, much less of the word "found" in one of its clauses.

So also, in the recent case of *Ex Parte* The Louisville Underwriters (134 U. S., 488), the decision rested upon a Statute of Louisiana requiring foreign insurance companies to designate local agents and declaring them liable to suit in that State, and the suit being an Admiralty Cause it was held that the Act of 1887, as amended, did not apply; but the Court nevertheless upheld the jurisdiction of the District Court for the Eastern District of Louisiana by an application of the State statute, and upon the defendants' *consent* to be sued in the courts within that State.

It is true that in *Ex Parte* Schollenberger (96 U. S., 369) this Court referred to the word "found" in the Judiciary Act of 1875, and discussed the case as if the corporation there in question doing business in Pennsylvania had *consented to be "found"* therein; but, with precisely the same reasoning, the Court might have as well said that doing business in the State was

also tantamount to a *consent to be considered* "*an inhabitant*" of the State and District. The same reasoning applies to both; for although, as stated by Chief Justice Waite in Schollenberger's case, "States cannot by their legislation confer jurisdiction upon the courts of the United States; neither can consent of parties give jurisdiction when the facts do not;" yet, the opinion further says,—"*but both State legislation and consent of the parties may bring about a state of facts which will authorize the courts of the United States to take cognizance of a case;*" and it is submitted that it is just as competent for a non-resident corporation to *consent to be considered* "*an inhabitant of the District*," as it is to be considered as "*found*" therein for the purposes of jurisdiction.

The omission of the word "found," therefore, in the Act of 1887, as amended, is wholly immaterial in a case like this, where, the jurisdiction not being upon the fact that the case is solely between citizens of different States, it would seem to be plain that even if the other clause of this act be applicable, the defendant may, within the clear reasoning of the cases, be treated as having *consented to be considered* "*an inhabitant*" of the State and district where the suit is brought.

Fourth.

The counsel for the respondents also says in the last paragraph of his first point (foot of p. 6) that "the laws of the State of New York cannot enlarge the jurisdiction of the Courts of the United States. Such jurisdiction is limited by act of Congress," and the case of Southern Pacific Co. *v.* Denton, 146 U. S., 202, is cited in supposed support of this proposition.

The proposition itself, as a general rule, is not denied. But the decision cited is not only inapplicable to the facts of the present case, but in fact, as it appears to us, concedes the existence of jurisdiction in a case like this.

Southern Pacific Co. *v.* Denton was, as Mr. Justice Gray stated in delivering the opinion, a case "where the jurisdiction is founded *only on the fact that the action is between citizens of different States*," which, as has been repeatedly stated, is not the fact here. The plaintiff in that case was a citizen of Texas, residing in the Eastern District of Texas, and the defendant was a Kentucky corporation alleged to be doing business in the Western District of Texas, and all the Court decided was that as neither the plaintiff nor the defendant resided in the district where the suit was brought, and as the act of 1887, as amended, "requires an action at law, *the jurisdiction of which is founded only upon its being between citizens of different States* to be brought in the State of which one is a citizen, and in the district therein of which he is an inhabitant and resident, there was no jurisdiction, inasmuch as "a corporation cannot *for this purpose* be considered a resident of a State in which it has not been incorporated." The learned Justice then (on pp. 206 and 207) reviews the Act of Texas requiring foreign corporations not only to consent to be sued in the State but to stipulate also not to invoke the jurisdiction of the Federal Courts, and after observing that this statute by reason of the latter requirement was unconstitutional and void, and could give no validity or effect to *any* agreement or action of the corporation in obedience to its provisions, he further says that "the agreement, if valid, might subject the corporation, after due service on its agent, to the jurisdiction of any appropriate Court of the State. Lafayette Insurance Co. *v.* French, 18 How., 404. It might likewise have subjected the corporation to the jurisdiction of a Circuit Court of the United States held within the State—so long as the judiciary acts allowed it to be sued in the district in which it was found. *Ex parte* Shollenberger, 96 U. S., 369; New England Insurance Co. *v.* Woodworth, 111 U. S., 138; *In re* Louisville Underwriters, 134 U. S., 488. But such an agreement could not, since Congress (as held in Shaw *v.* Quincy Mining Co., above cited) has made citizenship of the

State with residence in the district the sole test of jurisdiction *in this class of cases*, estop the corporation to set up non-compliance with that test, when sued in a Circuit Court of the United States;" from which the inference is reasonable that in cases *not of that class*, as to which the act does *not* make "citizenship of the State with residence in the district the sole test of jurisdiction," such jurisdiction may still be exercised.

The case of Southern Pacific Co. *v.* Denton is, therefore, as before observed, not only inapplicable to the facts of the present case, but, as we view it, virtually concedes that jurisdiction exists in a case of that kind.

The inapplicability of the proposition made by the respondents' counsel is, however, still more clearly and conclusively shown by the decision of this Court in the case of *Ex parte* Schollenberger (96 U. S., 369), referred to in the petitioner's main brief. In that case, as well as here, the point was made that the jurisdiction of the Federal Courts could not be enlarged by State legislation, and that, therefore, an Act of Pennsylvania requiring all foreign insurance companies doing business in the State to designate a person upon whom service of process might be made in suits against such corporations, did not apply to the Federal Courts. But this contention was squarely overruled.

The Court, through Mr. Chief Justice Waite, said :

"It is insisted in argument that the statute confines the right of suit to the courts of the State; but we cannot so construe it. There is nothing to manifest such an intention ; and, as the object of the Legislature evidently was to relieve the citizens of Pennsylvania from the necessity of going outside of the State to seek judicial redress upon their contracts made with foreign insurance companies, it is but reasonable to suppose that they were entirely at liberty to select the court in the State having jurisdiction of the subject matter, which, in their judgment, was the most convenient or desirable. As the company, if sued in a

State Court, could remove the cause to the Circuit Court and thus compel a citizen of the State to submit to that jurisdiction, we see no reason why the citizen may not, if he desires it, bring the company into the same jurisdiction at the outset. While the Circuit Court may not be technically a court *of* the commonwealth it is a court *within* it; and that, as we think, is all the Legislature intended to provide for.

"States cannot by their legislation confer jurisdiction upon the courts of the United States; neither can consent of the parties give jurisdiction when the facts do not; *but both State legislation and consent of parties may bring about a state of facts which will authorize the courts of the United States to take cognizance of a case.*"

Fifth.

The other decisions cited by the respondents' counsel, as well as the case of Southern Pacific Co. *v.* Denton, above discussed, illustrate the remark of Chancellor Kent (1 Comm. 478) that "the great difficulty as to cases consists in making an accurate application of the general principle contained in them to new cases presenting a change of circumstances," and that "the exercise of sound judgment is as necessary in the use, as diligence and learning are requisite in the pursuit, of adjudged cases."

1.—Shaw *v.* Quincy Mining Co., 145 U. S., 444; Southern Pacific Co. *v.* Denton, 146 U. S., 202; and Empire Coal Co. *v.* Empire Mining Co., 150 U. S., 159, cited by the respondents' counsel, were, as has been repeatedly pointed out, all cases where the *only* ground of jurisdiction was diverse citizenship of the parties.

2.—Galveston &c., Railway Co. *v.* Gonzales, 151 U. S., 496, also cited, turned upon a construction of Section 740 of the Revised Statutes of the United States, providing that "when a State contains more than one District, every suit not of a local nature in a

Circuit or District Courts thereof, against a single defendant inhabitant of such State, must be brought in the District where he resides;" and all the Court decided was that the defendant in that case, a Texas corporation, having its principal office in the Eastern District of Texas, could not be sued in the Western District of that State. This was clearly stated by Mr. Justice Brown at the beginning of the opinion as the only question in the case.

3.—The remaining cases cited as having held (*vide* respondents' brief under third point, p. 8), that "the prohibition in the Act of 1887 and 1888, that no civil action shall be brought in any district against any person in any other district than that whereof he is an inhabitant, has been uniformly (with one exception) applied by Circuit Courts of the United States to suits for infringements of patents," simply exhibit, when carefully examined, a conflict between the Circuit Courts for the Southern District of New York and the Circuit Court for the District of Massachusetts; because the cases of Adriance Platt Mfg. Co. *v.* McCormick Harvesting Co., 55 Fed. R., 287, and Cramer *v.* Singer Mfg. Co., 59 Fed. R., 74, were decided prior to, and are, therefore, overruled by *In re* Hohorst (150 U. S., *supra*; Union Switch Signal Co. *v.* Hall Signal Co., 65 Fed. R., 625, decided by Judge Townsend in the Southern District of New York, holding that the act applies to patent cases, is overruled by the subsequent case of Smith *v.* Sargent Mfg. Co., 67 Fed. R., 801, decided by Judge Wheeler in the same District, in which he follows *In re* Hohorst, and, therefore, holds that the act does not apply; whilst the case of Donnelly *v.* U. S. Cordage Co., 66 Fed. R., 613, decided by Judge Colt in the Circuit Court for the District of Massachusetts, does hold that the Act of 1887, as amended, applies to patent cases and attempts to distinguish *In re* Hohorst; thus leaving the question so far as the Circuit Courts are concerned in an exactly balanced conflict of opinion. Moreover, even in the Massachusetts District, the Circuit Judge seems to

have had different views upon the subject, inasmuch as in Consolidated Store Service Co. *v.* Lamson Consolidated Store Service Co., 41 Fed. R., 833, he decided the question one way, and in the subsequent case of Donnelly *v.* U. S. Cordage Co., 66 Fed. R., 613, he decided it in another way.

The state of the decisions in the Circuit Courts, upon this question, therefore, furnishes little if any aid in the determination of this case.

Sixth.

There is certainly no reason for this Court to be astute in so construing existing statute provisions as to exclude jurisdiction in a case like this. The defendant corporation, by doing business in New York, is, by virtue of the statute of that State, without doubt, subject to the jurisdiction of the State Courts; and as Mr. Justice Field said in St. Clair *v.* Cox (106 U. S., 350), "this is eminently fit and just." So, too, under the Act of 1887, as amended, as well as under the Act of 1875, this defendant could remove this case to the Circuit Court if it had been brought against it in a State Court, and the Circuit Court would undoubtedly have jurisdiction; for that part of the Act of 1887, as amended, now under consideration, by its terms, relates only to "any *original* process or proceeding;" and, as we have abundantly shown that the suit, by not being founded only on the fact that it is between citizens of different States, the other clause of the Act of 1887, as amended, restricting jurisdiction to the place of residence of the plaintiff or defendant, does not apply, it would be, as it seems to us, an anomaly if the action could not be maintained directly in the Circuit Court, and an anomaly too which, we think, this Court will not establish in the absence of the clear intent of Congress.

JONES & GOVIN,
Attorneys for Petitioner.

EDWARD K. JONES,
of Counsel.